WIND ON THE WIRES: **Responses to Questions posted to Michigan Energy Forum Website**

7. How does Michigan's renewables requirement compare to other states/provinces/countries? How are other jurisdictions similar/dissimilar? What has been the experience in other jurisdictions in terms of compliance, costs, reliability, and environmental impact?

Michigan has a 10% by 2015 renewable energy standard.

Ohio	12.5% by 2024
Indiana	10% by 2025 (voluntary)
Illinois	25% by 2025
Wisconsin	10% by 2015
Iowa	105 MW
Missouri	15% by 2021
Minnesota	25% by 2025

(Data from http://www.dsireusa.org/summarymaps/index.cfm?ee=0&RE=0)

Renewable Energy Standards in the Midwest have shown little cost impacts. MN and IL have both looked at the compliance costs for their renewable portfolio standards. In MN, 11 out of 13 electric utilities self-reported that compliance with the RES had little or no significant impact on electric rates. The state's largest utility, Xcel Energy, which serves 50% of MN's load, reported that "energy prices were 0.7% lower with wind" on the system than without.

The Illinois Power Agency reported that the addition of renewable energy to the state's electric system saved consumers upwards of $100 million in 2011 (Illinois Power Agency, *Annual Report: The Costs and Benefits of Renewables Resource Procurement in Illinois Under the Illinois Power Agency and Illinois Public Utilities Acts*, (March 2012)), and its most recent report noted that it assumes the price impacts in 2012 to be similar to those experienced in 2011 (IPA, *2013 Annual Report* at 30 (March 2013)). The IPA found that wind and other renewables drove down wholesale electric prices, benefiting customers as well as businesses. These results are not unique to the Midwest. The Center for American Progress studied the impacts of renewable requirements on costs and found that there is no evidence that such requirements are causing electric costs to increase. (Richard W. Caperton, Renewable Energy Standards Deliver Affordable, Clean Power (April 11, 2012): http://www.americanprogress.org/issues/green/report/2012/04/11/11397/renewable-energy-standards-deliver-affordable-clean-power/).

In slight contrast, the Center for American Progress found that there are no data showing a nationwide pattern of these [RES] standards leading to rate increases for consumers. Instead, the data show that these standards do not cause electricity rates to go up faster than they otherwise would have, and that the standards are not responsible for electricity rates increasing faster than average." Richard W. Caperton, Center for American Progress, *Renewable Energy Standards Deliver Affordable, Clean Power*, at 6 (April 11, 2012). In its analysis the Center calculated the average annual rate increase before the

first year the RES was in place and compared it to the average for states without RES' after the RES went into effect. Id. at 5. The Center found that "renewable energy standards have no predictable impact on electricity rates." Id.

Sean Brady, Wind on the Wires